

INCOME TAX ACT OF 1967 (EXCERPT)
Act 281 of 1967

206.257 Credit for city income taxes.

Sec. 257. (1) For city income taxes becoming due and payable for periods ending after December 31, 1967, each person subject to the tax levied by section 51 shall be allowed a credit computed by the table set out in this section for city income taxes deductible in the person's tax year for federal income tax purposes pursuant to section 164 of the internal revenue code, or which would have been deductible in his or her tax year if he or she had not elected the standard deduction. If the amount of city income taxes used as a basis for the credit computation differs from the city income tax liability incurred and paid by the taxpayer for the tax year, the credit for the ensuing year shall be adjusted by the amount of the difference between the city income taxes used as a basis for the credit computation and the city income taxes incurred and paid by the taxpayer for the tax year. City income taxes means the taxes levied under the city income tax act, Act No. 284 of the Public Acts of 1964, as amended, being sections 141.501 to 141.787 of the Michigan Compiled Laws, and, for purposes of this section, does not include penalties or interest. A credit shall not be allowed for city income taxes, other than estimated payments, which are delinquent on January 1, 1968. For a return of less than 12 months, the credit shall be reduced proportionately. The credit allowed by section 260 and this section shall not be in excess of the tax liability of the taxpayer.

(2) The credit shall be computed as follows:

If the total city income tax is:
\$100.00 or less
Over \$100.00 but not over \$150.00

Over \$150.00

The credit shall be:
20% of the city income taxes
\$20.00 plus 10% of the excess
over \$100.00
\$25.00 plus 5% of the excess
over \$150.00, but the total
credit shall not exceed
\$10,000.00.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 1969, Act 332, Imd. Eff. Nov. 4, 1969;—Am. 1970, Act 101, Imd. Eff. July 20, 1970;—Am. 1970, Act 233, Imd. Eff. Dec. 3, 1970;—Am. 1971, Act 76, Imd. Eff. July 30, 1971;—Am. 1972, Act 181, Eff. Aug. 1, 1972;—Am. 1973, Act 20, Imd. Eff. May 16, 1973;—Am. 1980, Act 517, Imd. Eff. Jan. 26, 1981;—Am. 1987, Act 254, Imd. Eff. Dec. 28, 1987.

Compiler's note: Section 4 of Act 76 of 1971 provides:

“Expiration of act; conditions.

“Section 4. The provisions of this amendatory act shall expire August 1, 1972 unless prior thereto the legislature has submitted to the electors constitutional amendments which shall (a) grant property tax relief by limiting of levying of more than 10 mills on property for school operational purposes, (b) permit the legislature to enact taxes on income graduated either as to rate or base or both, or (c) a combination of (a) and (b) as one amendment and (a) as a separate amendment and which said amendments shall be voted upon at a special election to be held on November 2, 1971 or at the general election to be held November 1972.”

The legislature did not submit to the electors at a November 2, 1971 special election or at the November, 1972 general election proposed constitutional amendment(s) to effect the purposes enumerated in Section 4 of Act 76 of 1971.